

the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, I am going to talk about Benny Johnson, no relationship.

Benny Johnson of Logic I sales in Richardson, Texas, employs 18 people and pays over \$80,000 a year for health insurance for himself, his employees, and their families. Benny has paid for their health insurance for nearly 20 years.

If health insurance premiums rise much higher, Benny is going to have to reduce benefits, drop coverage, or change plans, ending relationships with doctors they trust and know. Why would his premiums go up? Because of the McCain-Kennedy legislation in the House and Senate, which everybody knows would drive costs up.

This potentially could add Benny and his employees, and their families, to the 43 million Americans without health insurance.

It is just plain wrong. It has to stop. We have to think of Benny, his employees, and his families. Let us support the Fletcher bill.

STRENGTHENING AMERICA'S LEADERSHIP ON TRADE

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, in just a few minutes, the gentleman from California (Chairman THOMAS) will begin the debate on the very important U.S.-Jordan Free Trade Agreement, but I want to take a moment to talk about a very important issue which we are going to be phasing in in the not-too-distant future, and that is the issue of Trade Promotion Authority.

Since that authority expired in 1994, our trading partners have been very busy negotiating a web of trade agreements that excludes the United States. Today we sit here wasting valuable time that the President and his trade negotiators could be using to improve the lives of families here in the United States and around the world.

Free trade has been a boom for the American family, from higher paying jobs to lower prices. The North American Free Trade Agreement and the World Trade Organization have increased the overall national income by \$40 billion to \$60 billion. Continued efforts to open new markets help working families that bear the brunt of hidden imported taxes on everyday items like clothes, food, and electronics. And, with 97 percent of exporters coming from small or medium-sized companies, increased exports mean better, higher paying export jobs for workers that make up the heart and soul of this country.

Along with American workers, open trade has helped to raise more than 100 million people out of poverty in the last decade. A recent World Bank study showed that developing countries that

participate actively in trade grow faster and reduce poverty faster than countries that isolate themselves.

We should grant the President Trade Promotion Authority as soon as possible to ensure that the United States continues to lead in the global economy and the fight to spread democracy and freedom throughout the world.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GUTKNECHT). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken later today.

UNITED STATES-JORDAN FREE TRADE AREA IMPLEMENTATION ACT

Mr. THOMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2603) to implement the agreement establishing a United States-Jordan free trade area, as amended.

The Clerk read as follows:

H.R. 2603

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Jordan Free Trade Area Implementation Act".

SEC. 2. PURPOSES.

The purposes of this Act are—

- (1) to implement the agreement between the United States and Jordan establishing a free trade area;
- (2) to strengthen and develop the economic relations between the United States and Jordan for their mutual benefit; and
- (3) to establish free trade between the 2 nations through the removal of trade barriers.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) AGREEMENT.—The term "Agreement" means the Agreement between the United States of America and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area, entered into on October 24, 2000.

(2) HTS.—The term "HTS" means the Harmonized Tariff Schedule of the United States.

TITLE I—TARIFF MODIFICATIONS; RULES OF ORIGIN

SEC. 101. TARIFF MODIFICATIONS.

(a) TARIFF MODIFICATIONS PROVIDED FOR IN THE AGREEMENT.—The President may proclaim—

- (1) such modifications or continuation of any duty,
 - (2) such continuation of duty-free or excise treatment, or
 - (3) such additional duties,
- as the President determines to be necessary or appropriate to carry out article 2.1 of the Agreement and the schedule of duty reductions with respect to Jordan set out in Annex 2.1 of the Agreement.

(b) OTHER TARIFF MODIFICATIONS.—The President may proclaim—

(1) such modifications or continuation of any duty,

(2) such continuation of duty-free or excise treatment, or

(3) such additional duties,

as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Jordan provided for by the Agreement.

SEC. 102. RULES OF ORIGIN.

(a) IN GENERAL.—

(1) ELIGIBLE ARTICLES.—

(A) IN GENERAL.—The reduction or elimination of any duty imposed on any article by the United States provided for in the Agreement shall apply only if—

(i) that article is imported directly from Jordan into the customs territory of the United States; and

(ii) that article—

(I) is wholly the growth, product, or manufacture of Jordan; or

(II) is a new or different article of commerce that has been grown, produced, or manufactured in Jordan and meets the requirements of subparagraph (B).

(B) REQUIREMENTS.—

(i) GENERAL RULE.—The requirements of this subparagraph are that with respect to an article described in subparagraph (A)(i)(II), the sum of—

(I) the cost or value of the materials produced in Jordan, plus

(II) the direct costs of processing operations performed in Jordan,

is not less than 35 percent of the appraised value of such article at the time it is entered.

(ii) MATERIALS PRODUCED IN UNITED STATES.—If the cost or value of materials produced in the customs territory of the United States is included with respect to an article to which this paragraph applies, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributable to such United States cost or value may be applied toward determining the percentage referred to in clause (i).

(2) EXCLUSIONS.—No article may be considered to meet the requirements of paragraph (1)(A) by virtue of having merely undergone—

(A) simple combining or packaging operations; or

(B) mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.

(b) DIRECT COSTS OF PROCESSING OPERATIONS.—

(1) IN GENERAL.—As used in this section, the term "direct costs of processing operations" includes, but is not limited to—

(A) all actual labor costs involved in the growth, production, manufacture, or assembly of the specific merchandise, including fringe benefits, on-the-job training, and the cost of engineering, supervisory, quality control, and similar personnel; and

(B) dies, molds, tooling, and depreciation on machinery and equipment which are allocable to the specific merchandise.

(2) EXCLUDED COSTS.—The term "direct costs of processing operations" does not include costs which are not directly attributable to the merchandise concerned, or are not costs of manufacturing the product, such as—

(A) profit; and

(B) general expenses of doing business which are either not allocable to the specific merchandise or are not related to the